S
330.9784
M10m
v.4, no.3
PERIODICALS

MONTANA ECONOMIC INDICATORS

FALL 1975

STATE DEC 1975

MSC SEP 1 1976

MONTANA

ECONOMIC INDICATORS

AN ANALYSIS OF PAST AND PRESENT ECONOMIC TRENDS

MONTANA STATE EMPLOYMENT SERVICE

EMPLOYMENT SECURITY DIVISION

DEPARTMENT OF LABOR AND INDUSTRY

Prepared by:
EMPLOYMENT SERVICE
RESEARCH AND ANALYSIS
P. O. BOX 1728
HELENA, MONTANA 59601

Volume IV Number 3

November 1975

ACKNOWLEDGEMENTS

Montana Secretary of State

Montana State Library - Historical Documents Section

Department of Business Regulations, Financial Division, Bank Examiners

Department of Justice, Motor Vehicles Division Registrar's Bureau

Department of Revenue, Motor Fuel Tax Division

Bureau of Business and Economic Research, University of Montana

Board of Oil and Gas Conservation

U. S. Department of Agriculture Statistical Reporting Service

Federal Reserve System - 9th Federal District

Bureau of Reclamation

Bonneville Power Administration

Montana Dakota Utilities

Montana Power Company

Pacific Power and Light

Mountain Bell Telephone Company

Employment, Hours and Earnings, and Labor Turnover data produced in cooperation with U. S. Department of Labor, Bureau of Labor Statistics, and the Manpower Administration

TABLE OF CONTENTS

	Page No.
Title Page	i
Acknowledgements	ii
Table of Contents	1
Analysis - Third Quarter 1975	3
FEATURE ARTICLE: Unemployment Insurance - An Economic Stabilizer	5
Quit Rate - Manufacturing	8
New Hires - Manufacturing	8
Layoff Rate - Manufacturing	8
Accession Rate - Manufacturing	8
Average Weekly Hours - Manufacturing	8
Average Weekly Initial Claims	10
Total Nonagricultural Placements	10
Total Number of Building Permits	10
Number of Residential Building Permits	10
New Corporations	10
Withdrawals and Dissolutions of Corporations	10
Unemployment Rate	12
Unemployment Total	12
Average Weekly Insured Unemployed	12
Manufacturing Employment	12
New Car Registrations	12
Residential Electric Power Sales Index	14
Commercial-Industrial Power Sales Index	14
Manufacturing Power Sales	14
Bank Loans Index	14
Bank Deposits Index	14
Bank Debits	14
Employment-Lumber and Wood Products	16
Farmers Parity Ratio	16
Montana Nonagricultural Employment Index	16
U. S. Nonagricultural Employment Index	16
Natural Gas Withdrawals	16
Oil and Gas Wells Completed	16
Oil Refined	16
Montana Composite Index	18
Marginal Employment Adjustments Composite Index	18
Taxable Gallons Gasoline	18
Oil Production	18
Telephones - Main Station Gains, Business	18
Gross Average Weekly Earnings	18
Average Weekly Spendable Earnings	18
Indicators	20
Appendix I Glossary	23
Appendix II Key	29

If recession is defined as the absence of economic growth, then the economy of Montana still exists in a recessionary condition. For the most part, declines in some leading, coinciding, selected, and composite indicators have kept pace with, or, more realistically, outpaced growth in other indicators. This revelation does not agree with the national situation, where most indicators, especially GNP and business inventories, have reversed their recent recessionary trends. Since Montana's economic recovery is historically slow and since the leading indicators show some positive tendencies, economic conditions in Montana should gradually improve in the next few months.

Employment and unemployment have recently demonstrated, and will probably continue to demonstrate depressed conditions. Third quarter initial claims have increased; however, nonagricultural placements and employment displayed positive reactions during this time period. Other Coinciding Indicators, such as new car registrations and bank debits, have increased in excess of 50% in the past year. However, an improvement on last year's depressed figures should be viewed with skepticism.

The Leading Indicators, on the other hand, have provided evidence that the recession in Montana is approaching its end. Specifically, building permits, residential permits, new hires, layoffs, and accessions have shown significant improvements since third quarter of 1974. Also, during this time, average weekly hours, new corporations, and main station gains declined slightly, while the quit rate, and withdrawals and dissolutions of corporations were unchanged.

Of the Selected Indicators, natural gas withdrawals, and oil and gas wells completed have significantly exceeded last year's third quarter figures, while most of the others have remained relatively stable during this time interval. Average weekly spendable earnings for this year have continued to remain consistently below corresponding monthly amounts for 1974.

The composite index and the marginal employment adjustments index demonstrated some upward signs during the months of June and August. However, these indices for September have once again receded and are exceeded by last year's respective figures.

For the third quarter of 1975, while our nation's economy is displaying positive tendencies, Montana's economy, for the most part, remains recessed. However, improvements in some of the Leading Indicators are portraying strong impressions for economic recovery in our state.

UNEMPLOYMENT INSURANCE - AN ECONOMIC STABILIZER

By Richard Gibson, Economist
Montana Employment Security Division
Research and Analysis Section

During the depression of the 1930's millions of workers were jobless. It has been estimated that one out of every four workers was unemployed. At that time there were no public provisions, such as unemployment insurance, and assistance was left largely to public charity. A description of such relief programs was published in a Wisconsin report in 1931. "One of the most deplorable situations was found in one of our medium-sized cities where each applicant for relief was compelled to appear before the monthly meeting of the poor committee . . . . . to be cross-examined by eight or nine city officials. . . . . the meeting sometimes lasted until two or three o'clock in the morning. One can imagine how much sympathetic consideration an applicant, after waiting for eight hours to be heard, would get at two-thirty A. M."*

After bitter experiences with relief and welfare programs, the concept of a national unemployment insurance became reality. Such a concept was far from new. As early as 1789, Basle Town, Switzerland enacted such a program, but it lasted only a few years. In 1894, St. Gall, Switzerland enacted such a law, but it too was short-lived. The first successful program was enacted by Great Britain in 1911. Its success was due probably because it was compulsory and on a national level.

In this country unsuccessful attempts had been made by various trade unions, companies and individual states as early as 1916, but it was not until the Social Security Act of 1935 that the doors were opened for a national plan. Because Montana's Legislature had already adjourned, Montana did not begin participation in this Federal-State program until 1937.

* Don D. Lescohier and Florence Peterson, "The Alleviation of Unemployment in Wisconsin." (Madison Industrial Commission of Wisconsin, July 1931, p. 35)

After allowing adequate time to build a trust fund of sufficient magnitude to pay UI (unemployment insurance) claims, it was during July 1939 in Butte, Montana that the first claim was filed and money ($15) was paid to a claimant.

The primary objectives of unemployment insurance are probably best described in a statement issued by the U. S. Department of Labor in 1955: "Unemployment insurance is a program established under Federal and State law for income maintenance during periods of involuntary unemployment due to lack of work, which provides partial compensation for wage loss as a matter of right, with dignity and dispatch, to eligible individuals. It helps to maintain purchasing power and to stabilize the economy. It helps to prevent the dispersal of the employer's trained work force, the sacrifice of skills, and the breakdown of labor standards during temporary unemployment."*

As purely social legislation the act is quite effective. It has taken time but today very few regard unemployment insurance as welfare, but rather an economic stabilizer, which it definitely is. No matter what goods and services the money is spent on, be it beer or baking soda, the business community is the ultimate beneficiary. This is especially true during recessions such as the current one.

The economic impact might be greater but some segments of the labor force, such as self-employed, are not eligible for unemployment insurance. However, the U. S. has the world's second largest percentage of its work force covered by unemployment insurance, with 95% coverage. Only Canada has a higher percent with 99%.** Montana provides unemployment insurance coverage for about 83% of its labor force, primarily due to the large number of farm operators and self-employed workers in Montana.

* U. S. Department of Labor, Bureau of Employment Security, "Major Objectives of Federal Policy with Respect to the Federal-State Employment Security Program", General Administration Letter No. 305, April 25, 1955.

** Business Week, September 1, 1975, "The Global Impact of Rising Unemployment", p. 46.

The average weekly unemployment insurance benefit in Montana in 1974 was $54.73, far below the national average of $64.20.* Montana's average weekly benefits are lower than all her border states with the exception of South Dakota whose benefits were $52.21 per week. This picture should change somewhat for 1975 because Montana's maximum weekly benefits were increased from $68 to $81 per week by legislative changes in the State's Unemployment Insurance Laws which became effective in July 1975.

Eighty-one dollars a week may sound like a substantial amount, but when adjusted for inflation it is considerably lessened. For example, in September of this year average weekly gross earnings in Montana were $164.89. But after adjusting for taxes and inflation, real spendable earnings were only $86.52. After adjusting maximum weekly benefits to 1967 dollars, real spendable income is only $49.51. This amounts to only 57% of what the working man has to spend on consumption. This is an improvement over previous years, for in 1974 unemployment benefits amounted to only 50% of the employed spendable earnings. The program is improving and its economic impact on Montana's consumers and business cannot be overlooked.

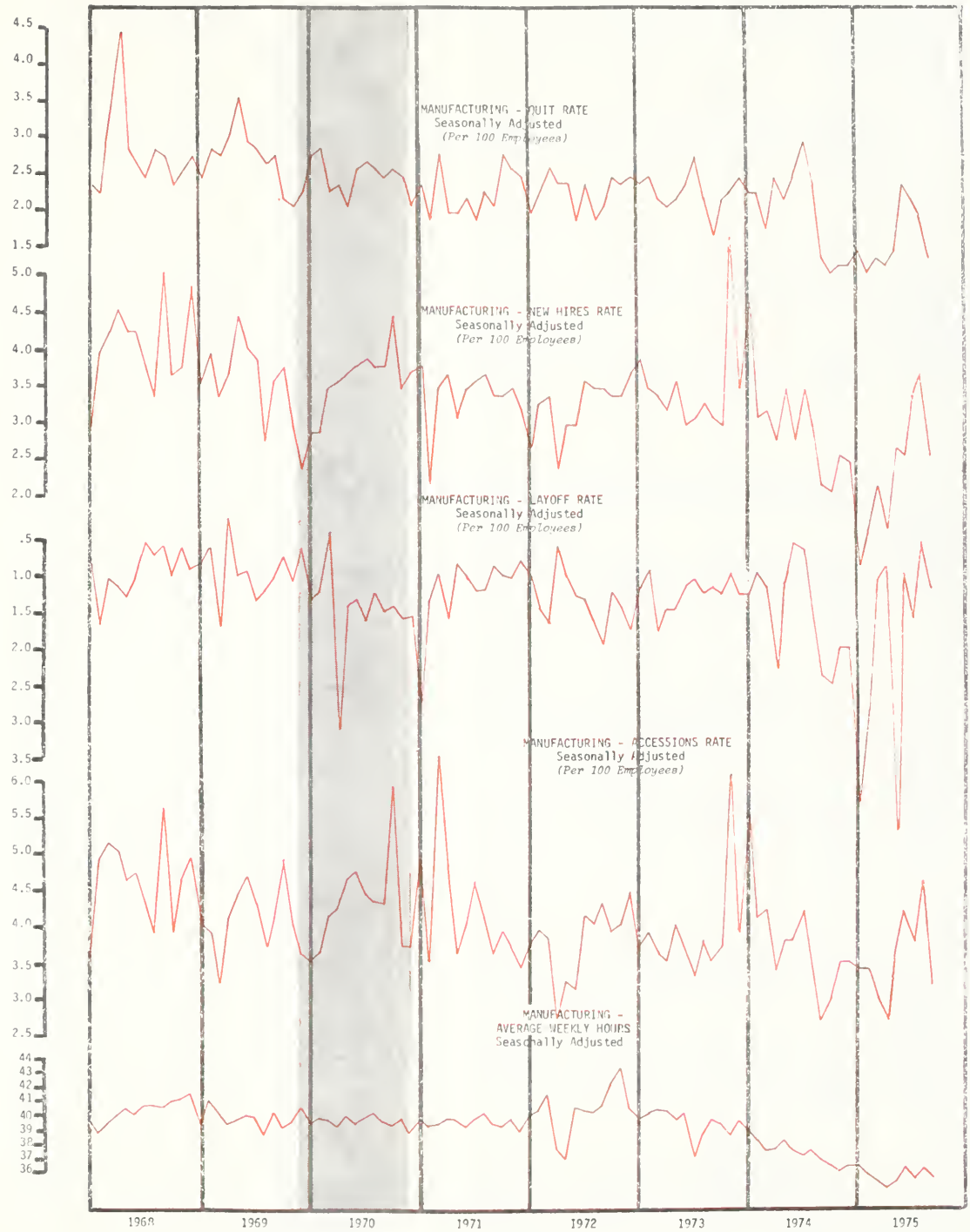
Since the program's inception, over $212 million have been injected into Montana's economy. This money has kept many individuals from depleting their savings during periods of unemployment, and at the same time assisted the business community by maintaining consumer purchasing power.

* "Average Weekly Benefit for Total Unemployment Under State Unemployment Compensation Law 1974", Division of Research and Statistics, Ohio Bureau of Employment Services, July 25, 1975, No. A-500.

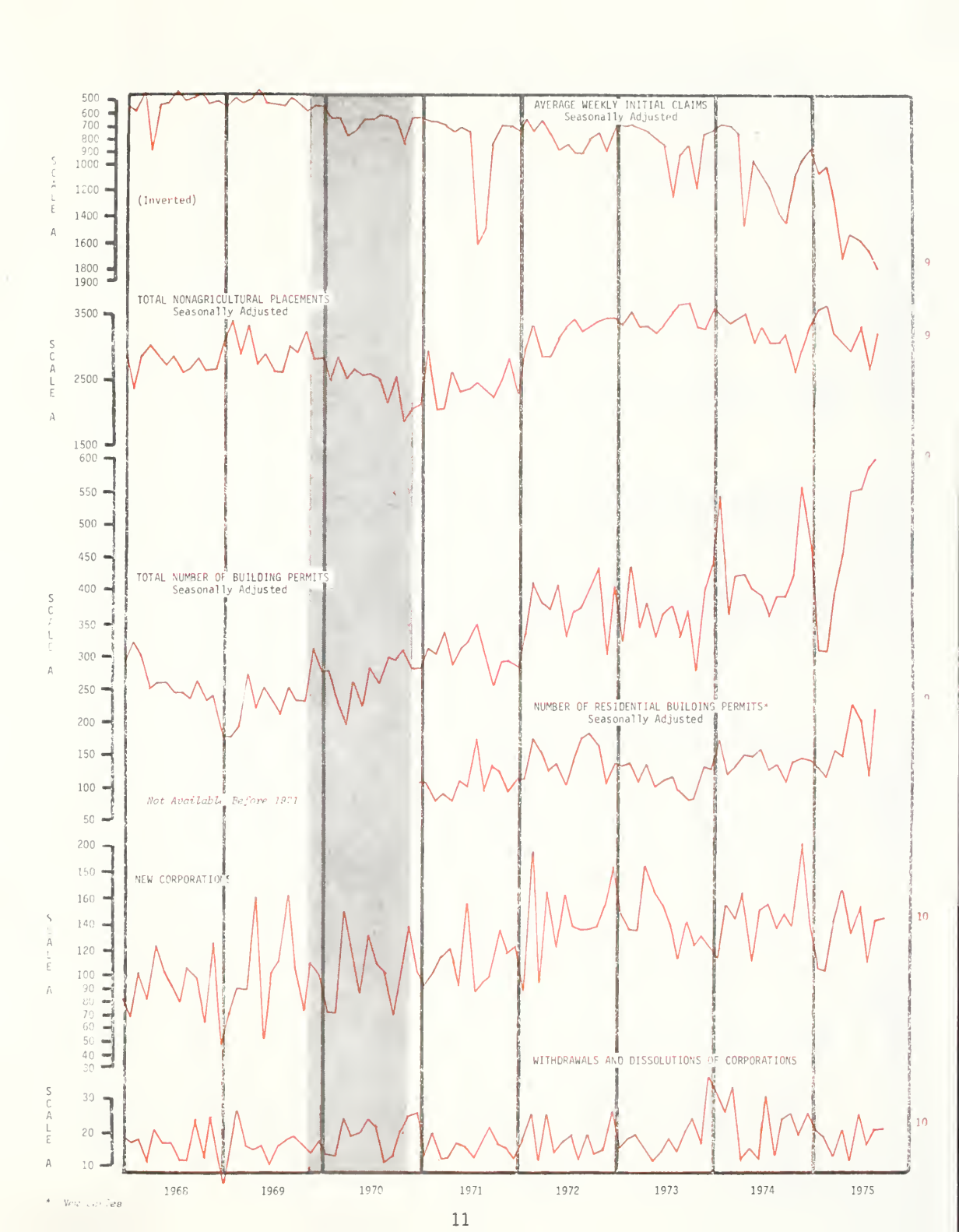
MANUFACTURING

		Quit Rate (Per 100 Employees)		New Hires Rate (Per 100 Employees)		Layoff Rate (Per 100 Employees)		Accessions Rate (Per 100 Employees)		Average Weekly Hours	
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ
1973	Jan.	1.6	2.4	2.6	3.9	1.0	1.1	2.6	3.8	40.3	40.3
	Feb.	1.4	2.5	1.9	3.5	0.7	0.9	2.3	4.0	40.3	40.6
	Mar.	1.7	2.2	2.6	3.4	3.1	1.7	3.1	3.7	40.8	40.9
	Apr.	1.9	2.1	3.3	3.2	1.1	1.4	3.9	3.6	40.3	40.8
	May	2.4	2.2	4.5	3.6	0.7	1.4	5.4	4.1	39.9	40.1
	Jun.	2.3	2.4	5.5	3.0	0.5	0.9	6.4	3.8	40.5	40.7
	Jul.	2.4	2.8	3.8	3.1	0.7	1.0	4.2	3.4	37.3	37.6
	Aug.	3.1	2.2	3.7	3.3	1.5	1.2	4.2	3.9	39.8	39.3
	Sep.	3.8	1.7	4.0	3.1	1.2	1.1	4.4	3.6	40.8	40.2
	Oct.	2.7	2.2	3.7	3.0	1.5	1.2	4.3	3.8	40.8	39.9
	Nov.	1.6	2.3	2.8	5.6	1.0	0.9	3.3	6.2	38.9	39.2
	Dec.	1.5	2.5	1.7	3.5	1.4	1.2	2.2	4.0	40.2	40.3
1974	Jan.	1.5	2.3	3.1	4.7	1.1	1.2	3.9	5.6	39.5	39.5
	Feb.	1.3	2.3	1.7	3.1	0.7	0.9	2.4	4.2	38.5	38.8
	Mar.	1.4	1.8	2.5	3.2	2.1	1.1	3.6	4.3	38.0	38.1
	Apr.	2.2	2.5	2.9	2.8	1.7	2.2	3.8	3.5	37.8	38.3
	May	2.4	2.2	4.4	3.5	0.5	1.0	5.2	3.9	38.6	38.8
	Jun.	2.4	2.5	5.2	2.8	0.3	0.5	6.7	3.9	38.1	38.3
	Jul.	2.5	3.0	4.4	3.5	0.4	0.6	5.4	4.3	37.5	37.8
	Aug.	3.4	2.4	3.4	3.0	1.9	1.5	3.8	3.5	38.8	38.3
	Sep.	3.2	1.4	2.8	2.2	2.6	2.3	3.4	2.8	38.1	37.5
	Oct.	1.5	1.2	2.6	2.1	2.9	2.4	3.5	3.1	38.1	37.2
	Nov.	0.9	1.3	1.3	2.6	2.2	1.9	1.9	3.6	36.6	36.7
	Dec.	0.8	1.3	1.2	2.5	2.2	1.9	2.0	3.6	37.0	37.1
1975	Jan.	1.0	1.5	0.7	1.1	3.6	4.0	2.4	3.5	37.2	37.2
	Feb.	0.7	1.2	0.9	1.6	2.3	2.8	2.0	3.5	36.3	36.6
	Mar.	1.1	1.4	1.7	2.2	1.8	1.0	2.6	3.1	35.8	35.9
	Apr.	1.2	1.3	1.7	1.6	0.6	0.8	3.0	2.8	35.1	35.6
	May	1.6	1.5	3.4	2.7	2.2	4.4	4.9	3.7	35.9	36.0
	Jun.	2.3	2.4	4.8	2.6	.5	.9	7.4	4.3	36.7	36.9
	Jul.	1.9	2.2	4.2	3.4	1.1	1.6	4.9	3.9	36.0	36.3
	Aug.	2.9	2.0	4.2	3.7	0.7	0.5	5.1	4.7	37.2	36.8
	Sep.	3.1	1.4	3.3	2.6	1.2	1.1	4.0	3.3	36.9[p]	36.3[p]
	Oct.										
	Nov.										
	Dec.										

p Preliminary Data.

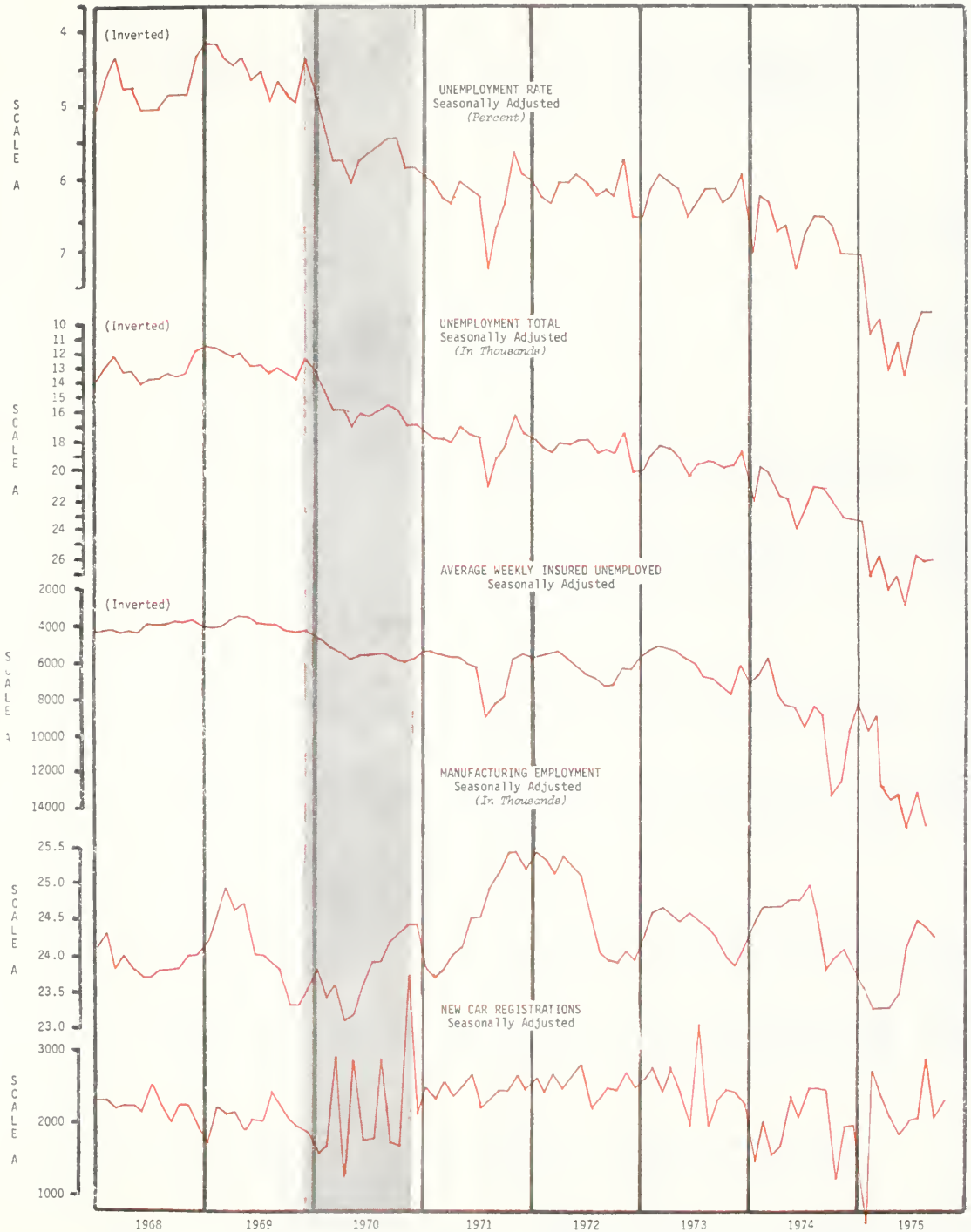

MANUFACTURING - QUIT RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING - NEW HIRES RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING - LAYOFF RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING - ACCESSIONS RATE
Seasonally Adjusted
(Per 100 Employees)
MANUFACTURING -
AVERAGE WEEKLY HOURS
Seasonally Adjusted
SCALE A
SCALE A
SCALE A
SCALE A
SCALE A
4.5
4.0
3.5
3.0
2.5
2.0
1.5
5.0
4.5
4.0
3.5
3.0
2.5
2.0
.5
1.0
1.5
2.0
2.5
3.0
3.5
6.0
5.5
5.0
4.5
4.0
3.5
3.0
2.5
44
43
42
41
40
39
38
37
36
1968
1969
1970
1971
1972
1973
1974
1975

		Average Weekly Initial Claims		Total Nonagricultural Placements		Total Number of Building Permits		Number of Residential Building Permits		New Corporations	Withdrawals and Dissolutions of Corporations
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ		
1973	Jan.	1,443	717	2,228	3,355	152	397	60	128	182	25
	Feb.	885	692	1,922	3,225	155	316	64	126	144	14
	Mar.	673	588	2,411	3,479	433	428	145	130	133	17
	Apr.	728	754	2,936	3,202	463	336	157	100	132	18
	May	516	875	3,747	3,230	483	370	162	127	181	14
	Jun.	561	855	3,914	3,169	419	323	108	93	161	10
	Jul.	632	978	3,972	3,237	436	356	119	105	151	13
	Aug.	769	1,482	5,738	3,473	462	368	112	109	136	17
	Sep.	555	1,051	4,476	3,584	390	321	97	88	111	13
	Oct.	772	1,007	3,752	3,587	419	363	90	74	138	19
	Nov.	1,403	1,175	2,985	3,213	223	270	68	74	123	23
	Dec.	1,167	707	1,994	3,190	183	397	93	123	127	15
1974	Jan.	1,595	792	2,336	3,518	165	431	51	120	200	36
	Feb.	948	741	2,041	3,424	262	535	101	165	110	31
	Mar.	865	755	2,281	3,291	357	353	128	111	152	25
	Apr.	788	816	3,074	3,352	565	411	181	124	140	33
	May	898	1,522	3,991	3,441	542	415	178	140	160	10
	Jun.	677	1,032	3,713	2,998	508	392	153	139	108	14
	Jul.	737	1,141	3,979	3,243	467	381	165	151	148	11
	Aug.	628	1,210	4,954	2,999	447	356	121	119	153	30
	Sep.	743	1,407	3,744	2,998	465	383	140	128	134	12
	Oct.	1,150	1,499	3,264	3,120	441	382	113	100	145	23
	Nov.	1,372	1,149	2,401	2,584	341	412	125	132	136	25
	Dec.	1,676	1,015	1,809	2,894	253	549	112	139	199	18
1975	Jan.	1,891	939	2,169	3,267	176	460	67	135	138	25
	Feb.	1,449	1,132	2,088	3,503	148	302	59	123	104	20
	Mar.	1,221	1,066	2,476	3,573	302	298	123	106	102	18
	Apr.	1,295	1,341	2,839	3,096	523	380	203	146	138	11
	May	1,057	1,792	3,428	2,955	582	445	176	138	161	19
	Jun.	1,059	1,614	3,476	2,815	699	539	230	216	132	10
	Jul.	1,065	1,649	3,954	3,222	668	545	210	196	148	26
	Aug.	891	1,717	4,236	2,564	730	582	135	133	109	15
	Sep.	989	1,873	3,893	3,117	720	593	228	216	139	22
	Oct.									142	23
	Nov.										
	Dec.										

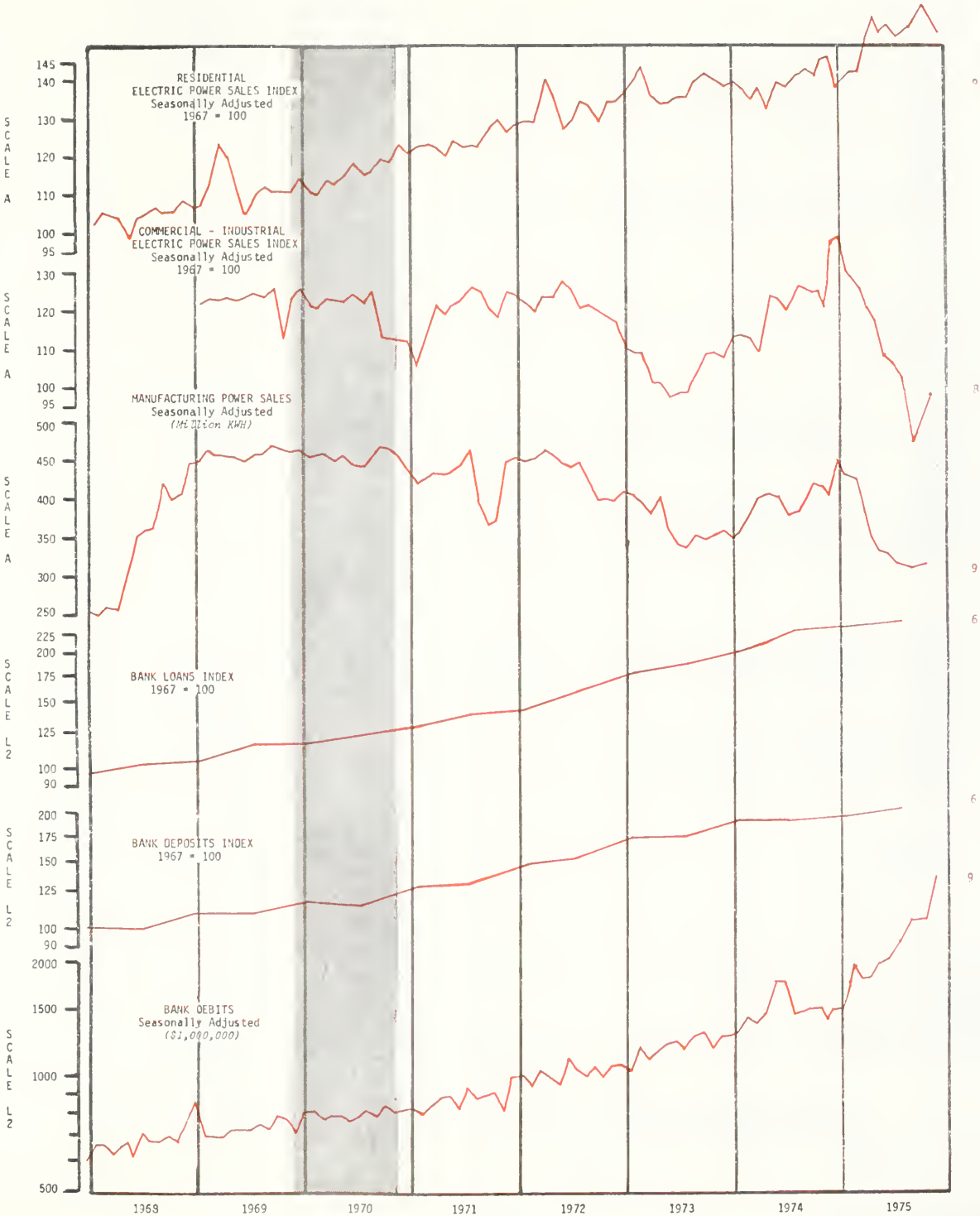

AVERAGE WEEKLY INITIAL CLAIMS
Seasonally Adjusted
(Inverted)
TOTAL NONAGRICULTURAL PLACEMENTS
Seasonally Adjusted
TOTAL NUMBER OF BUILDING PERMITS
Seasonally Adjusted
NUMBER OF RESIDENTIAL BUILDING PERMITS*
Seasonally Adjusted
Not Available Before 1971
NEW CORPORATIONS
WITHDRAWALS AND DISSOLUTIONS OF CORPORATIONS
SCALE A
1968
1969
1970
1971
1972
1973
1974
1975

		Unemployment Rate (Percent)		Unemployment Total (in Thousands)		Average Weekly Insured Unemployed		Manufacturing Employment (in Thousands)		New Car Registrations	
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ
1973	Jan.	8.8	6.5	25.1	19.6	9,352	5,418	23.7	24.4	2,084	2,648
	Feb.	8.1	6.1	23.5	18.7	9,081	5,154	24.0	24.7	2,201	2,822
	Mar.	7.3	5.9	21.6	18.0	7,823	4,899	23.6	24.7	2,679	2,490
	Apr.	6.0	6.0	18.2	18.2	5,946	4,992	23.6	24.8	3,145	2,833
	May	5.0	6.1	15.5	18.8	4,205	5,269	24.4	25.1	2,661	2,492
	Jun.	6.2	6.5	20.3	20.1	3,637	5,648	25.7	25.0	2,064	2,020
	Jul.	5.6	6.3	18.3	19.4	3,769	5,917	26.3	25.3	3,625	3,413
	Aug.	4.8	6.1	16.3	19.2	3,810	6,592	26.3	25.4	2,045	2,037
	Sep.	4.9	6.1	15.7	19.3	3,515	6,786	26.0	25.4	2,578	2,391
	Oct.	5.2	6.3	16.0	19.6	3,776	7,248	25.7	24.9	3,022	2,512
	Nov.	6.2	6.2	18.8	19.4	5,862	7,593	25.1	24.6	2,593	2,474
	Dec.	6.5	5.9	19.4	18.4	7,542	6,038	24.6	24.6	1,781	2,340
1974	Jan.	9.2	7.0	27.6	21.9	12,056	6,985	23.5	24.2	1,204	1,530
	Feb.	8.1	6.2	24.3	19.5	11,576	6,570	23.7	24.4	1,614	2,069
	Mar.	7.6	6.3	23.4	19.9	8,967	5,615	23.4	24.5	1,758	1,634
	Apr.	6.8	6.7	21.4	21.4	9,118	7,656	23.4	24.6	1,930	1,738
	May.	5.6	6.6	18.3	21.6	6,545	8,202	24.2	24.8	2,651	2,482
	Jun.	6.3	7.2	24.0	23.7	5,342	8,295	25.7	25.0	2,158	2,112
	Jul.	6.0	6.7	21.0	22.0	6,031	9,468	26.1	25.1	2,690	2,533
	Aug.	5.3	6.5	17.9	20.8	4,817	8,334	26.0	25.1	2,528	2,518
	Sep.	5.2	6.5	17.3	20.9	4,587	8,855	25.4	24.8	2,666	2,473
	Oct.	5.6	6.6	18.1	21.7	6,893	13,230	24.5	23.8	1,528	1,270
	Nov.	7.0	7.0	22.4	23.0	9,584	12,415	24.5	24.0	2,060	1,966
	Dec.	7.7	7.0	24.1	23.1	12,084	9,675	23.7	23.7	1,517	1,993
1975	Jan.	9.3	7.0	28.9	23.2	14,013	8,128	23.0	23.6	485	616
	Feb.	10.0	8.1	31.7	27.0	16,960	9,631	22.7	23.3	2,145	2,750
	Mar.	9.2	7.9	29.0	25.6	14,015	8,787	22.2	23.3	2,620	2,435
	Apr.	8.7	8.6	28.0	28.1	15,065	12,649	22.2	23.3	2,340	2,108
	May	7.1	8.2	23.7	27.0	10,669	13,370	22.9	23.5	1,999	1,872
	Jun.	8.3	8.7	29.6	29.3	8,430	13,090	24.8	24.1	2,080	2,035
	Jul.	7.3	8.1	25.6	26.6	9,290	14,584	25.5	24.5	2,197	2,069
	Aug.	6.5	7.8	22.9	25.8	7,530	13,028	25.3	24.4	2,913	2,901
	Sep.	6.6p	7.8p	22.3p	26.0p	7,526	14,529	24.8	24.2	2,263	2,099
	Oct.									2,809	2,335
	Nov.										
	Dec.										

p Preliminary Data.


(Inverted)
UNEMPLOYMENT RATE
Seasonally Adjusted
(Percent)
SCALE A
4
5
6
7
(Inverted)
UNEMPLOYMENT TOTAL
Seasonally Adjusted
(In Thousands)
SCALE A
10
11
12
13
14
15
16
18
20
22
24
26
(Inverted)
AVERAGE WEEKLY INSURED UNEMPLOYED
Seasonally Adjusted
SCALE A
2000
4000
6000
8000
10000
12000
14000
MANUFACTURING EMPLOYMENT
Seasonally Adjusted
(In Thousands)
SCALE A
25.5
25.0
24.5
24.0
23.5
23.0
NEW CAR REGISTRATIONS
Seasonally Adjusted
SCALE A
3000
2000
1000
1968
1969
1970
1971
1972
1973
1974
1975

		Residential Electric Power Sales Index 1967 = 100		Commercial-Industrial Electric Power Sales Index 1967 = 100		Manufacturing Power Sales (Million KWH)		Bank Loans Index	Bank Deposits Index	Bank Debits ($1,000,000)	
		UNADJ	ADJ	UNADJ	ADJ	UNADJ	ADJ	1967 = 100		UNADJ	ADJ
1973	Jan.	189.7	146.8	111.4	112.3	421.9	408.8			1,333.0	1,275.6
	Feb.	171.3	138.9	103.1	104.3	383.3	391.1			1,043.5	1,189.8
	Mar.	151.0	137.4	104.6	104.5	425.6	414.4			1,221.7	1,241.5
	Apr.	138.7	137.9	101.1	101.3	379.2	371.4			1,230.4	1,283.0
	May	131.3	139.0	104.7	102.5	362.0	353.2			1,259.8	1,321.9
	Jun.	120.5	138.9	100.6	102.4	345.8	350.7	199.8	179.3	1,265.4	1,252.9
	Jul.	120.3	143.6	108.7	107.7	362.6	367.0			1,341.2	1,365.8
	Aug.	122.9	145.4	112.1	112.3	354.4	360.9			1,345.6	1,394.4
	Sep.	126.0	143.8	112.0	112.7	352.9	367.2			1,187.2	1,265.7
	Oct.	126.0	142.5	112.0	111.8	367.0	372.2			1,503.8	1,373.3
	Nov.	141.2	143.7	119.3	117.0	362.3	362.7			1,506.4	1,373.2
	Dec.	160.6	141.8	116.5	117.2	376.3	371.1	214.6	197.4	1,521.5	1,388.2
1974	Jan.	179.1	138.6	115.9	116.8	404.8	392.2			1,607.0	1,537.8
	Feb.	174.1	141.2	111.4	112.6	407.6	415.9			1,293.8	1,475.3
	Mar.	149.6	136.1	127.6	127.5	431.4	420.1			1,484.5	1,508.7
	Apr.	144.6	143.7	126.7	127.0	428.8	420.0			1,782.2	1,858.4
	May	133.6	141.4	126.2	123.5	409.4	399.4			1,756.0	1,843.6
	Jun.	132.1	152.4	128.2	130.4	400.7	406.4	237.0	201.2	1,635.6	1,619.4
	Jul.	136.0	162.3	129.0	127.9	439.3	444.6			1,708.7	1,740.0
	Aug.	130.1	153.9	128.5	128.7	433.9	441.8			1,689.0	1,750.3
	Sep.	130.1	148.5	124.1	124.9	424.7	441.9			1,590.2	1,695.3
	Oct.	132.1	149.4	142.0	141.8	445.8	452.1			1,723.1	1,573.6
	Nov.	141.1	143.5	143.5	142.6	446.5	447.0			1,739.6	1,585.7
	Dec.	165.0	145.8	133.4	134.2	453.0	446.7	240.8	214.3	2,095.8	2,005.6
1975	Jan.	188.5	145.9	128.3	129.3	424.2	441.1			2,069.7	1,980.6
	Feb.	191.3	155.1	121.1	122.4	388.4	396.4			1,648.6	1,879.8
	Mar.	181.7	165.3	118.1	118.0	373.9	364.1			1,863.7	1,894.0
	Apr.	163.8	162.8	111.4	111.6	351.3	344.1			1,932.1	2,014.7
	May	155.5	164.6	112.0	109.6	349.1	340.6			1,986.2	2,084.2
	Jun.	139.0	160.3	102.7	104.5	321.3	325.8	252.0	225.2	2,388.2	2,364.6
	Jul.	137.1	163.6	86.9	86.1	317.3	321.6			2,631.5	2,679.7
	Aug.	141.1	167.0	102.0	102.2	319.7	325.6			2,567.9	2,661.0
	Sep.	141.4	161.4			318.7	331.6			2,740.6	2,921.7
	Oct.										
	Nov.										
	Dec.										

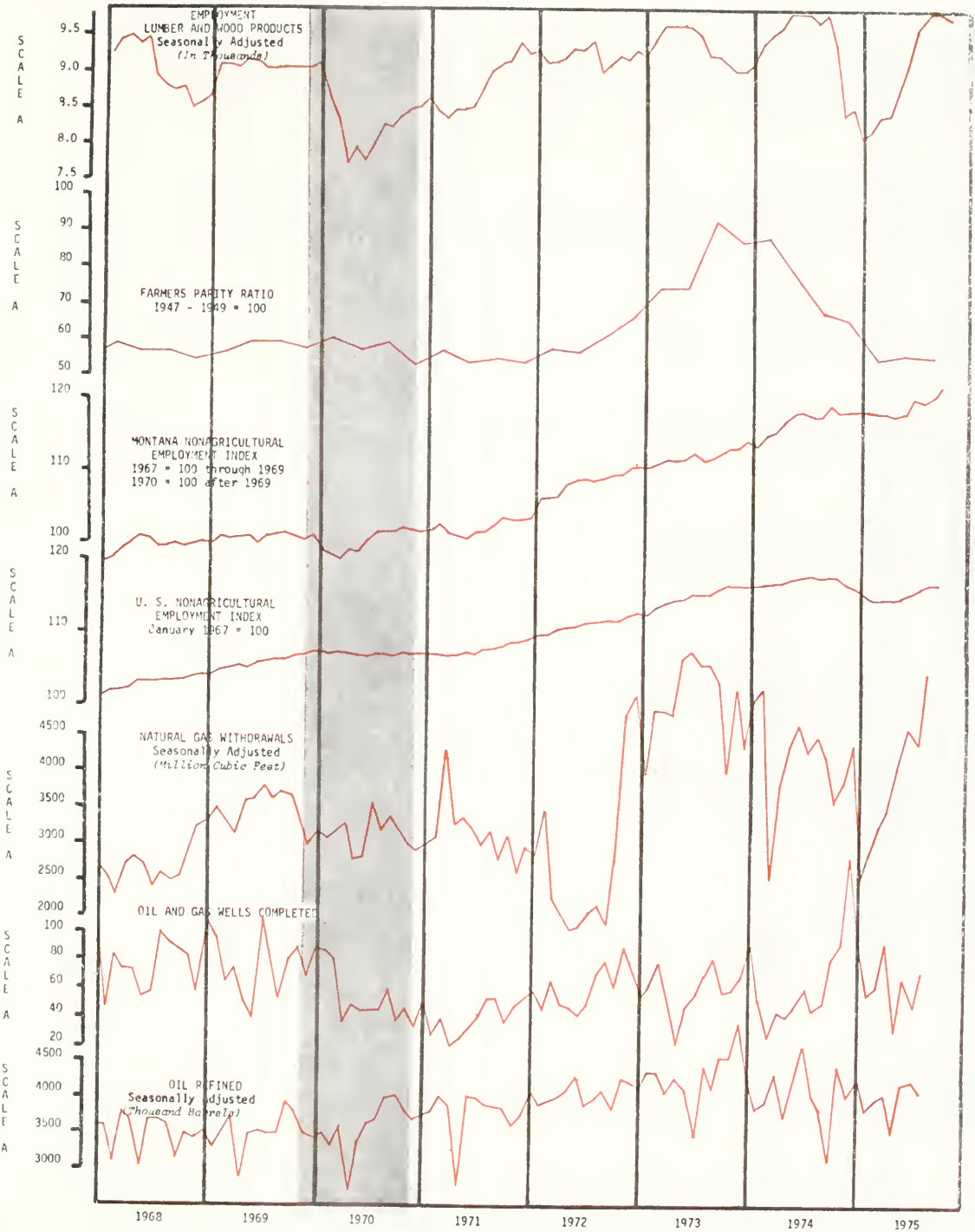

RESIDENTIAL
ELECTRIC POWER SALES INDEX
Seasonally Adjusted
1967 = 100
COMMERCIAL - INDUSTRIAL
ELECTRIC POWER SALES INDEX
Seasonally Adjusted
1967 = 100
MANUFACTURING POWER SALES
Seasonally Adjusted
(Million KWH)
BANK LOANS INDEX
1967 = 100
BANK DEPOSITS INDEX
1967 = 100
BANK DEBITS
Seasonally Adjusted
($1,000,000)
SCALE A
SCALE A
SCALE A
SCALE L2
SCALE L2
SCALE L2
145
140
130
120
110
100
95
130
120
110
100
95
500
450
400
350
300
250
225
200
175
150
125
100
90
200
175
150
125
100
90
2000
1500
1000
500
1968
1969
1970
1971
1972
1973
1974
1975

		Employment - Lumber and Wood Products (in Thousands)		Farmers Parity Ratio*	Nonagricultural Employment Index**		Natural Gas Withdrawals (Million Cu.Ft.)		Oil and Gas Wells Completed	Oil Refined (Thousand Barrels)	
		UNADJ	ADJ		MONTANA	U. S.	UNADJ	ADJ		UNADJ	ADJ
1973	Jan.	9.1	9.4		110.6	112.2	6,323	3,947	54	4,107	4,128
	Feb.	9.3	9.6		111.0	113.1	6,136	4,820	61	4,103	4,356
	Mar.	9.1	9.6	73	111.7	113.9	5,800	4,805	77	4,337	4,354
	Apr.	8.7	9.6		111.5	114.1	4,463	4,798	45	3,500	4,060
	May	9.2	9.6		111.6	114.3	4,248	5,568	23	4,302	4,276
	Jun.	9.8	9.5	73	112.5	115.0	3,931	5,673	48	4,090	4,106
	Jul.	9.7	9.2		111.4	115.0	3,888	5,460	56	3,736	3,495
	Aug.	9.7	9.2		111.9	115.0	3,805	5,482	69	4,835	4,428
	Sep.	9.6	9.1	95	112.5	115.9	3,767	5,175	76	4,319	4,141
	Oct.	9.3	9.0		113.2	116.5	3,726	3,994	57	4,505	4,555
	Nov.	9.2	9.0		113.2	116.4	5,405	5,123	59	4,368	4,545
	Dec.	9.1	9.1	86	114.1	116.3	6,213	4,397	68	5,264	5,018
1974	Jan.	9.1	9.4		113.7	116.3	7,899	4,931	91	4,205	4,226
	Feb.	9.2	9.5		115.0	116.3	6,503	5,108	53	3,644	3,868
	Mar.	9.1	9.6	84	115.6	116.4	3,029	2,509	28	3,922	3,938
	Apr.	8.9	9.8		117.0	116.6	3,571	3,840	44	3,751	4,352
	May	9.4	9.8		118.0	117.1	3,340	4,378	37	3,785	3,762
	Jun.	10.2	9.8	67	118.3	117.3	3,192	4,607	42	4,252	4,235
	Jul.	10.2	9.7		117.7	117.6	3,052	4,287	61	4,398	4,701
	Aug.	10.3	9.8		117.9	117.4	3,100	4,468	47	4,416	4,044
	Sep.	9.9	9.4	67	119.4	117.6	3,079	4,230	50	4,020	3,854
	Oct.	8.7	8.4		118.4	117.5	3,345	3,585	81	3,112	3,147
	Nov.	8.7	8.5		118.6	116.7	4,091	3,878	91	4,322	4,497
	Dec.	8.1	8.1	65	118.8	116.1	6,190	4,381	153	4,225	4,028
1975	Jan.	7.9	8.2		118.7	115.1	4,096	2,557	88	4,269	4,290
	Feb.	8.1	8.4		118.2	114.4	3,605	2,832	55	3,610	3,832
	Mar.	8.0	8.4	55	118.2	114.3	3,914	3,243	61	3,969	3,985
	Apr.	7.9	8.7		117.9	114.6	3,199	3,440	92	3,506	4,067
	May	8.7	9.1		118.1	114.7	3,118	4,086	32	3,547	3,526
	Jun.	9.9	9.6	56	120.4	115.0	3,202	4,621	66	4,229	4,246
	Jul.	10.4	9.9		120.0	115.7	3,157	4,433	52	4,599	4,302
	Aug.	10.5	9.9		120.6	116.1	3,737	5,385	73	4,436	4,062
	Sep.	10.3	9.8	57	122.0p	116.1					
	Oct.										
	Nov.										
	Dec.										

* *1947 - 1949 = 100*

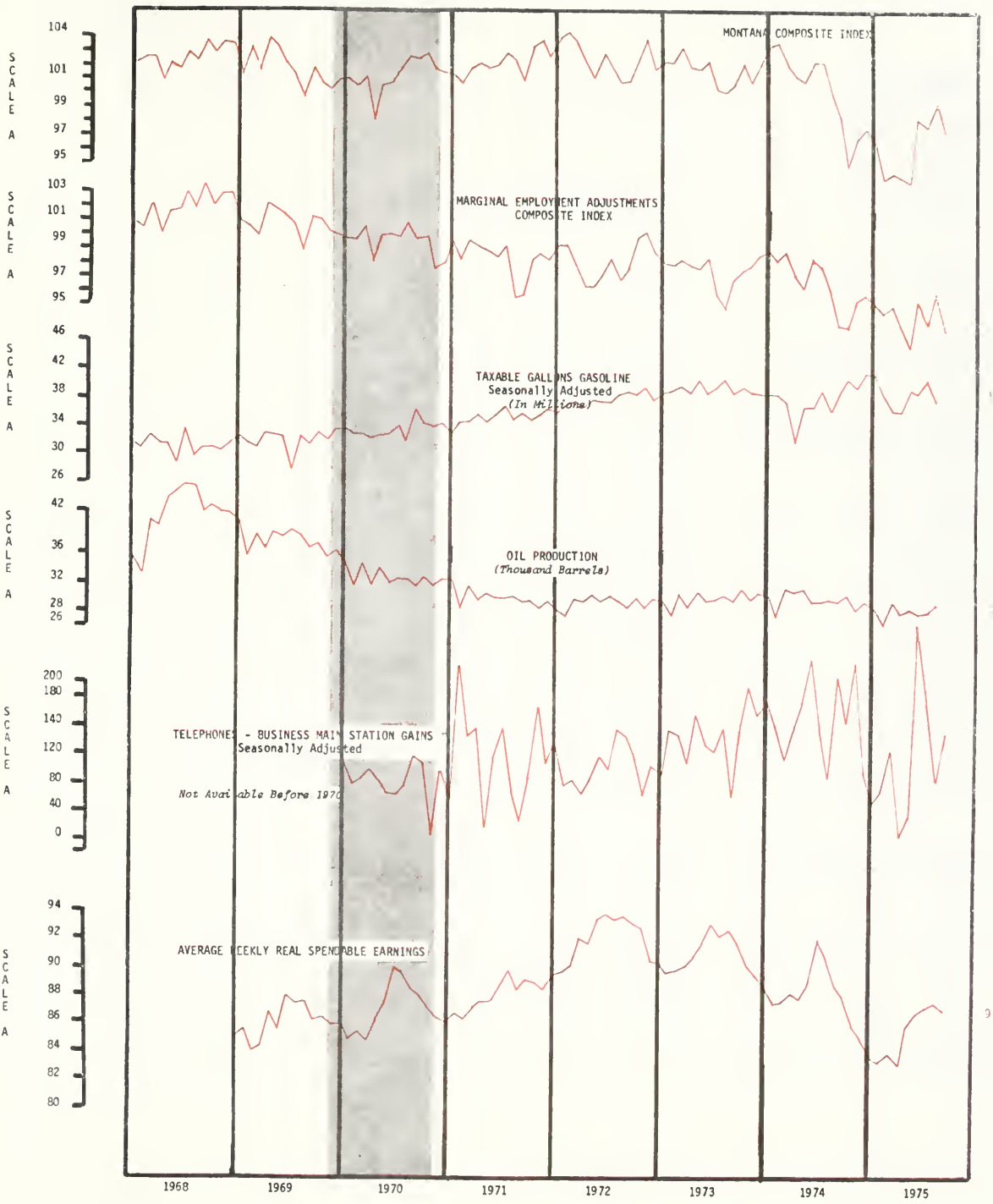
** *MONTANA: 1967 = 100 through 1969; 1970 = 100 after 1969. U.S.: January 1967 = 100.*

p *Preliminary data.*


EMPLOYMENT
LUMBER AND WOOD PRODUCTS
Seasonally Adjusted
(In Thousands)
FARMERS PARITY RATIO
1947 - 1949 = 100
MONTANA NONAGRICULTURAL
EMPLOYMENT INDEX
1967 = 100 through 1969
1970 = 100 after 1969
U. S. NONAGRICULTURAL
EMPLOYMENT INDEX
January 1967 = 100
NATURAL GAS WITHDRAWALS
Seasonally Adjusted
(Million Cubic Feet)
OIL AND GAS WELLS COMPLETED
OIL REFINED
Seasonally Adjusted
(Thousand Barrels)
SCALE A
9.5
9.0
8.5
8.0
7.5
100
90
80
70
60
50
120
110
100
120
110
100
4500
4000
3500
3000
2500
2000
100
80
60
40
20
4500
4000
3500
3000
1968
1969
1970
1971
1972
1973
1974
1975

		MONTANA Composite Index 1967 = 100	Marginal Employment Adjustments Index 1967 = 100	Taxable Gallons Gasoline UNADJ	Taxable Gallons Gasoline ADJ	Oil Production (Thousand Barrels)	Telephones Main Station Gains Business UNADJ	Telephones Main Station Gains Business ADJ	Gross Average Weekly Earnings	Average Weekly Spendable Earnings
1973	Jan.	101.6	97.4	33,296	37,779	2,852	125	80	$130.32	$88.87
	Feb.	101.5	97.3	25,844	37,908	2,664	148	143	131.77	89.02
	Mar.	102.6	97.6	33,641	38,549	2,948	161	137	133.59	89.35
	Apr.	101.3	97.3	34,229	37,610	2,793	183	99	135.05	89.52
	May	101.1	97.0	39,481	39,165	2,982	325	164	137.25	90.25
	Jun.	101.7	97.8	42,441	37,149	2,849	220	122	140.24	91.31
	Jul.	99.6	95.2	50,043	38,099	2,872	172	114	142.86	92.54
	Aug.	99.4	94.3	54,246	39,318	2,906	224	147	144.36	91.67
	Sep.	99.9	96.3	39,701	37,684	2,853	-74	50	145.73	92.17
	Oct.	101.5	96.9	37,705	38,148	3,020	75	146	145.02	91.10
	Nov.	100.1	97.3	39,508	37,848	2,896	26	204	143.50	89.54
	Dec.	101.4	97.9	32,040	37,380	2,986	100	165	143.54	88.98
1974	Jan.	102.7	98.3	29,558	37,645	2,907	221	174	143.47	88.29
	Feb.	103.0	97.5	28,329	37,369	2,667	154	148	142.96	86.96
	Mar.	101.4	98.2	31,589	36,440	3,028	122	102	145.20	87.04
	Apr.	100.6	96.5	34,118	30,737	2,990	224	141	147.29	87.65
	May	100.3	95.8	36,058	35,742	3,009	344	182	148.47	87.31
	Jun.	101.6	97.7	41,047	35,755	2,839	342	244	152.21	88.35
	Jul.	101.5	97.1	49,553	38,010	2,855	204	146	159.90	91.50
	Aug.	99.4	95.5	49,938	35,010	2,882	41	78	159.84	90.31
	Sep.	97.7	93.1	38,482	37,466	2,850	95	219	157.38	88.10
	Oct.	94.3	92.9	39,202	39,645	2,911	83	156	157.75	87.46
	Nov.	96.1	94.6	35,052	38,414	2,738	62	238	154.94	85.40
	Dec.	96.9	95.2	35,294	40,706	2,844	10	75	154.28	84.52
1975	Jan.	95.8	94.6	32,027	40,163	2,768	89	42	152.28	83.19
	Feb.	93.5	93.9	28,261	37,276	2,548	64	58	152.80	82.90
	Mar.	93.8	94.3	30,835	35,657	2,854	136	118	155.09	83.58
	Apr.	93.5	93.1	32,217	35,618	2,701	82	-1	154.22	82.77
	May	93.2	91.6	38,603	38,256	2,767	188	26	157.24	85.48
	Jun.	97.5	94.7	42,723	37,455	2,683	398	299	160.81	86.37
	Jul.	97.0	93.2	51,173	39,207	2,707	229	170	163.52	86.63
	Aug.	98.7	95.2	51,450	36,495	2,793	38	75	165.07	87.04
	Sep.	96.1[p]	92.5[p]				9	127	164.89	86.52[p]
	Oct.									
	Nov.									
	Dec.									

[p] Preliminary Data.


SCALE A
104
101
99
97
95
MONTANA COMPOSITE INDEX
SCALE A
103
101
99
97
95
MARGINAL EMPLOYMENT ADJUSTMENTS
COMPOSITE INDEX
SCALE A
46
42
38
34
30
26
TAXABLE GALLONS GASOLINE
Seasonally Adjusted
(In Millions)
SCALE A
42
36
32
28
26
OIL PRODUCTION
(Thousand Barrels)
SCALE A
200
180
140
120
80
40
0
TELEPHONES - BUSINESS MAIN STATION GAINS
Seasonally Adjusted
Not Available Before 1970
SCALE A
94
92
90
88
86
84
82
80
AVERAGE WEEKLY REAL SPENDABLE EARNINGS
1968
1969
1970
1971
1972
1973
1974
1975

INDICATOR	UNIT	MONTHLY DATA: Latest Month 1975	Last Month 1975	Last Year 1974	PERCENT CHANGE: Last Month 1975	Last Year 1974
LEADING INDICATORS						
Initial Claims						
Seasonally Adjusted	Avg. No./Wk.	Sep: 1,873	1,717	1,407	9.1	33.1
Unadjusted	Avg. No./Wk.	Sep: 989	891	743	11.0	33.1
Nonagricultural Placements						
Seasonally Adjusted	Number	Sep: 3,117	2,564	2,998	21.6	4.0
Unadjusted	Number	Sep: 3,893	4,236	3,744	-8.1	4.0
Total Building Permits						
Seasonally Adjusted	Number	Sep: 593	582	383	1.9	54.8
Unadjusted	Number	Sep: 720	730	465	-1.4	54.8
Residential Building Permits						
Seasonally Adjusted	Number	Sep: 216	133	128	62.4	68.8
Unadjusted	Number	Sep: 228	135	140	68.9	62.9
Quit Rate						
Seasonally Adjusted	Rate/100	Sep: 1.4	2.0	1.4	-30.0	----
Unadjusted	Rate/100	Sep: 3.1	2.9	3.2	6.9	-3.1
New Hires Rate						
Seasonally Adjusted	Rate/100	Sep: 2.6	3.7	2.2	-29.7	18.2
Unadjusted	Rate/100	Sep: 3.3	4.2	2.8	-21.4	17.9
Layoff Rate						
Seasonally Adjusted	Rate/100	Sep: 1.1	.5	2.3	120.0	-52.2
Unadjusted	Rate/100	Sep: 1.2	.7	2.6	71.4	-53.8
Accession Rate						
Seasonally Adjusted	Rate/100	Sep: 3.3	4.7	2.8	-29.8	17.9
Unadjusted	Rate/100	Sep: 4.0	5.1	3.4	-21.6	17.6
Average Weekly Hours-Mfg.						
Seasonally Adjusted	Hours	Aug: 36.2	36.3	38.3	-.3	-5.5
Unadjusted	Hours	Aug: 36.6	36.0	38.8	1.7	-5.7
Business Main Gains						
Seasonally Adjusted	Number	Sep: 127	75	219	69.3	-42.0
Unadjusted	Number	Sep: 1	38	95	-97.4	-98.9
New Corporations	Number	Oct: 142	139	145	2.2	-2.1
Withdrawals & Dissolutions of Corporations	Number	Oct: 23	22	23	4.5	----

INDICATOR	UNIT	MONTHLY DATA Latest Month 1975	Last Month 1975	Last Year 1974	PERCENT CHANGE Last Month 1975	Last Year 1974
COINCIDING INDICATORS						
Unemployment Rate						
Seasonally Adjusted	Percent	Sep: 7.8	7.8	6.5	-	20.0
Unadjusted	Percent	Sep: 6.6	6.5	5.2	1.5	26.9
Unemployment Total						
Seasonally Adjusted	Thousands	Sep: 26.0	25.8	20.9	.8	24.4
Unadjusted	Thousands	Sep: 22.3	22.9	17.3	-2.6	28.9
Insured Unemployed						
Seasonally Adjusted	Avg.Wkly No.	Sep: 14,529	13,028	8,855	11.5	64.1
Unadjusted	Avg.Wkly No.	Sep: 7,526	7,530	4,587	-.1	64.1
Manufacturing Employment						
Seasonally Adjusted	Thousands	Sep: 24.2	25.3	24.8	-4.3	-2.4
Unadjusted	Thousands	Sep: 24.8	24.4	25.4	1.6	-2.4
New Car Registrations						
Seasonally Adjusted	Number	Oct: 2,335	2,099	1,270	11.2	83.9
Unadjusted	Number	Oct: 2,809	2,263	1,528	24.1	83.8
Residential Power Sales						
Seasonally Adjusted	Index	Sep: 161.4	167.0	148.5	-3.4	8.7
Unadjusted	Index	Sep: 141.4	141.1	130.1	.2	8.7
Manufacturing Power Sales						
Seasonally Adjusted	Million KWH	Sep: 331.6	325.6	441.9	1.8	-25.0
Unadjusted	Million KWH	Sep: 318.7	319.7	424.7	-.3	-25.0
Commercial - Industrial Power Sales						
Seasonally Adjusted	Index	Aug: 102.2	86.1	128.7	18.7	-20.6
Unadjusted	Index	Aug: 102.0	86.9	128.5	14.3	-20.6
Bank Loans	Index	Jun: 252.0	----	237.0	----	6.3
Bank Debits						
Seasonally Adjusted	$1,000,000	Sep: 2661.0	2679.7	1750.3	-.7	52.0
Unadjusted	$1,000,000	Sep: 2567.9	2631.5	1689.0	-2.4	52.0
Bank Deposits	Index	Jun: 225.2	------	201.2	----	11.9

INDICATOR	UNIT	MONTHLY DATA Latest Month 1975		Last Month 1975	Last Year 1974	PERCENT CHANGE Last Month 1975	Last Year 1974
SELECTED INDICATORS							
Employment - Lumber and Wood Products							
Seasonally Adjusted	Thousands	Sep:	9.8	9.9	9.4	-1.0	4.3
Unadjusted	Thousand	Sep:	10.3	10.5	9.9	-1.9	4.0
Farmers Parity Ratio	Ratio	Sep:	57	----	67	----	-14.9
Montana Nonag. Employment	Index	Sep:	122.0	120.6	118.4	1.2	3.0
U. S. Nonag. Employment	Index	Sep:	116.1	116.1	117.6	----	-1.3
Natural Gas Withdrawals							
Seasonally Adjusted	Mil.Cu.Ft.	Aug:	5,385	4,433	4,468	21.5	20.5
Unadjusted	Mil.Cu.Ft.	Aug:	3,737	3,157	3,100	18.4	20.5
Oil & Gas Wells Completed	Number	Aug:	73	52	47	40.4	55.3
Oil Refined							
Seasonally Adjusted	Thous.Bbls	Aug:	4,062	4,302	4,044	-5.6	.4
Unadjusted	Thous.Bbls	Aug:	4,436	4,599	4,416	-3.5	.5
Oil Production	Thous.Bbls	Aug.	2,793	2,707	2,882	3.2	-3.1
Taxable Gallons Gasoline							
Seasonally Adjusted	Thous.Gals	Aug:	36,495	39,207	35,010	-6.9	4.2
Unadjusted	Thous.Gals	Aug:	51,450	51,173	49,937	.5	3.0
Average Weekly Spendable Earnings	Dollars	Sep:	86.52	87.04	88.10	-.6	-1.8
COMPOSITE INDICATORS							
Montana Composite Index	Index	Sep:	96.1	98.7	97.7	-2.6	-1.6
Marginal Employment Index	Index	Sep:	92.5	95.2	93.1	-2.8	-.6

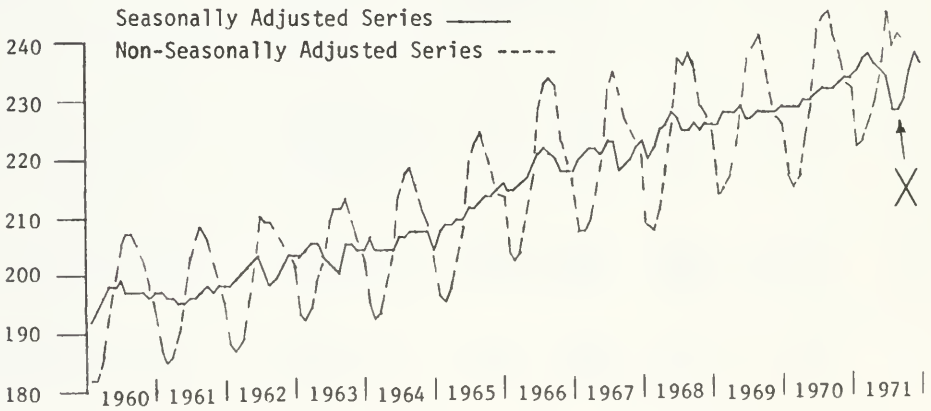
APPENDIX I

GLOSSARY

Seasonal Adjustment - A mathematical procedure in which certain monthly or yearly variations such as climate, holidays, vacation practices, etc., are removed from the statistics. The purpose of this is to simplify analysis over a long period of time and to highlight such non-seasonal occurances as strikes, natural disasters, floods, earthquakes, etc.

Non-Seasonally Adjusted - or "raw" data will not always reflect such occurances precisely because of seasonal influences. For example, the following chart is a graph of total nonagricultural employment for the State of Montana for the years 1960 to 1971.

TOTAL NONAGRICULTURAL EMPLOYMENT - MONTANA



Note the erratic nature of the non-adjusted data, and that a non-seasonal phenomena occurred in 1971 directly above the "X" mark. During this period a labor-management dispute occurred and the seasonally adjusted figures emphasize this point whereas the dispute is not readily apparent in the non-adjusted data. A word of caution is due at this point about non-adjusted and adjusted data. Adjusted data is not a "substitute" for actual data, and should in no way be used as such.

Economic Indicators - Statistical time series whose cyclical characteristics are known and fairly stable, particularly in the timing of their cyclical peaks and troughs relative to business cycle turns. Economic Indicators are used for the interpretation of current, and the anticipation of prospective, business conditions.

Leading Indicators - An economic series that tends to reverse direction sufficiently in advance of changes in total business activity. The peaks and troughs of this type of indicator generally occur from three to several months previous to the peak or trough in total business activity.

Coincidental Indicators - An economic series that tends to parallel the same general pattern of total business activity.

Selected Indicators - A cyclical time series whose true value as an economic indicator is not yet known.

Lagging Indicators - An economic series that tends to reverse direction (reach its peaks or troughs) some time after the total business pattern has changed.

Other Indicators - A statistical series that combines the cyclical changes of the other types of economic indicators. For example, personal income generally lags at the peaks, and leads at the troughs of total business activity.

Montana Composite Index - A composite of six leading indicators of employment and economic activity: Building Permits, Manufacturing Employment, Average Weekly Hours, Average Weekly Initial Claims, Accession Rate and Layoff Rate. A reverse trend has been used for Layoff Rate and Average Weekly Initial Claims. The components are converted to series of standardized changes and weighted according to their significance and reliability as economic indicators in making the composite. This composite index is not comparable to the U. S. composite index as published in "Business Conditions Digest", U. S. Department of Commerce.

Marginal Employment Adjustments Index - A composite of four leading indicators of employment changes or adjustments: Average Weekly Hours, Average Weekly Initial Claims, Layoff Rate, and Accession Rate. In producing the composite these components are seasonally adjusted, converted to series of standardized changes, and weighted according to their significance and reliability as economic indicators. This composite indicator tends to lead changes in the unemployment rate by approximately five months.

Labor Turnover - The movement of wage and salary workers in and out of employment status.

Accessions - All permanent or temporary additions to the employment rolls, which include new hires and other accessions.

New Hires - Permanent and temporary additions to employment rolls of persons who have never been employed by a specific reporting establishment. This includes former employees who have been rehired although not specifically recalled by the reporting employer.

Other Accessions - Additions to the employment rolls of transfers from other establishments of the same company; employees returning from military service or unpaid leaves of absence; employees specifically recalled by an employer.

Separations - The termination of employment of persons who quit, are laid off, discharged, retire, die, are inducted into the military for service exceeding 30 consecutive days, suffer physical disabilities, or are transferred to other divisions of the same company.

Quits - The termination of employment initiated by an employee for any reason other than retirement, transfer, or service in the Armed Forces.

Layoffs - Suspension from pay status of an employee, expected to last seven consecutive days. This action must be initiated by the employer without prejudice to the worker, for reasons such as lack of orders, model changeover, termination of seasonal employment, inventory-taking, plant breakdown, shortage of materials.

SERIES BREAK - Pages 9 and 11

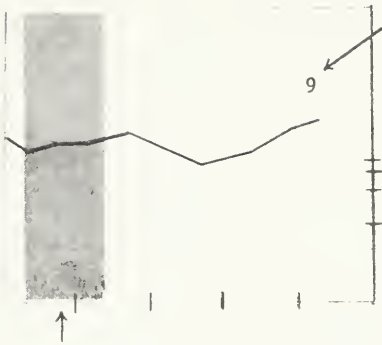
Beginning with January 1970, the following series, Montana Nonagricultural Employment Index, Montana Civilian Labor Force Index, Unemployment Rate, and Unemployment Total, were changed to reflect a change in the concept of measuring employment requested by the U. S. Department of Labor of all State Employment Security Agencies. The change was made to ensure comparability between states, and to make employment data published by this agency for Montana comparable to national labor force concepts. Civilian Labor Force series now reflect a count of employed and unemployed persons by place of residence (known as household data) rather than by place of work (known as establishment data). The years 1970, 1971, 1972, and 1973 were revised to the household concept and as a result data after January 1970 are not strictly comparable to data published earlier.

Conceptually, the difference between the old "Work Force" and the new "Labor Force" series is that the new series eliminates duplicate counting of multiple job holders, and persons who work in Montana but reside in another state. However, people who live in Montana but work elsewhere are included in the new "Labor Force" estimates.

Household and establishment data supplement one another and the Montana Employment Security Division will continue to publish establishment data for nonagricultural industries on employment, hours and earnings, labor turnover and job vacancy for those users who need this type of information.

APPENDIX II

KEY



Arabic numbers above graph lines indicate the last month of the year for which data have been plotted.

"A" indicates that scale is arithmetic. "L1", "L2", or "L3" indicate a ratio (semilogarithmic) scale of 1, 2, or 3 decks respectively.

Shaded areas on the graph indicate recession periods in the United States as designated by the National Bureau of Economic Research.

Broken lines on graphs indicate that data is not available for that time period.

Montana's indicators have been classified into three types; Leading, Coinciding, and Selected. The classification of Montana's Leading and Coinciding Indicators parallels the Department of Commerce, Bureau of Economic Analysis classification. This has been done to facilitate an easier and more accurate comparison of individual indicators with those of the nation. (This classification, however, does not mean that the Montana Employment Service has endorsed any particular economic theory.)

Historical data available upon request.

EMPLOYMENT SECURITY DIVISION
DEPARTMENT OF LABOR AND INDUSTRY
P. O. Box 1728
Helena, Montana 59601

OFFICIAL BUSINESS

POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL
LAB 449

The Montana State Employment Service maintains 23 local employment offices in the principal cities of Montana. You are invited to call on any of these offices for assistance in filling positions in your organization, additional labor market information, and for other services in connection with your employment problems.